



## **Nursing Home Costs**

2025 Report

Pursuant to Ch. 733 of the Acts of 2025

(This Page is Intentionally Left Blank)

## **Background**

Senate Bill (SB) 679 and House Bill (HB) 933 require the Department to review uniform cost reports submitted by nursing homes participating in the Maryland Medical Assistant Program, and to report its findings by October 1, 2025, and annually thereafter through 2029. The statute requires this report to include Maryland Medical Assistance Program revenues allocated to:

1. Contracted nursing care services; and
2. Salaries and wages of all direct care non-administrative staff, including:
  - i. Certified nurse aides;
  - ii. Directors of nurses;
  - iii. Licensed practical nurses;
  - iv. Noncertified or resident care aides;
  - v. Registered nurses;
  - vi. Housekeepers;
  - vii. Dietary workers; and
  - viii. In-house clerical staff who regularly interact with residents, Maryland Medical Assistance Program recipients, and caregivers.

## **2025 Nursing Homes Cost Report Overview**

All nursing homes enrolled in the Maryland Medical Assistance Program are required to submit an annual uniform cost report, unless they bill fewer than 1,000 Medicaid days of care during the fiscal reporting period. Currently, there are 221 nursing homes enrolled in the Maryland Medical Assistance Program, of which 17 are exempt from the uniform cost reporting requirements.

A uniform cost report is a standardized financial document that nursing homes submit to report the actual costs of providing services to nursing facility residents. These cost reports contain details on revenues, expenses, utilization, and financial data. Nursing homes are required to submit their uniform cost reports to the Department within three (3) months following the close of their fiscal year.

The Department reviews cost reports from the prior calendar year and uses the data to develop, set, and rebase reimbursement rates every two (2) to four (4) years, evaluate the sufficiency of existing rates, and monitor cost trends. For calendar year 2024, a total of 204 nursing homes submitted a uniform cost report.

According to 2024 cost report data, nursing homes received \$3,423,565,013 in total comprehensive care revenues, including Medicare, Medicaid, private pay, and other government payment sources. Of this total, \$1,923,633,775 (56.19 percent) was attributable to the Maryland Medical Assistance Program.

Maryland's current uniform cost report structure captures nursing wage and salary data in aggregate form, but does not distinguish between specific roles such as licensed nursing staff, non-certified or resident care aides, and in-house clerical staff. To address this limitation, the

Department is working with its fiscal audit contractor to revise future cost report templates. The updated templates will disaggregate nursing services wage and salary data to ensure these positions are captured in greater detail.

According to the uniform cost reports, the total revenues allocated to contracted nursing care services and each staff position identified in SB 679 and HB 933 are noted in Table 1 below.

*Table 1. Total and Allocated Revenues for Nursing Care Services and Staff Positions, 2024*

<b>Staff Position/Service</b>	<b>Allocated Revenue</b>
Contracted Nursing Care Services	\$364,125,273
Nursing <sup>1</sup>	\$1,254,618,121
Non-certified or Resident Care Aides <sup>2</sup>	Unknown
Housekeepers	\$80,089,301
Dietary Workers	\$145,033,937
In-house clerical staff who regularly interact with residents, Maryland Medical Assistance Program recipients, and caregivers <sup>3</sup>	Unknown
<b>Total Allocated Revenue</b>	<b>\$1,843,866,632</b>

In summary, 2024 cost report data shows that nursing homes enrolled in the Maryland Medical Assistance Program allocated approximately \$1,843,866,632 to direct care staffing statewide, representing about 53.86 percent of total reported comprehensive care revenues of \$3,423,565,013.

The Department will continue to review annual nursing home cost reports and provide updates to the General Assembly as required by statute.

---

<sup>1</sup> Maryland’s current uniform cost report structure does not capture wage and salary data for specific nursing staff positions. Therefore, the revenue allocation reported is inclusive of contracted nursing care services, as well as nursing wages and employee benefits for certified nursing aides, directors of nursing, licensed practical nurses and registered nurses.

<sup>2</sup> Maryland’s current uniform cost report structure does not capture wage and salary data for specific non-certified or resident care aide staff positions. The allotted revenue cannot be determined.

<sup>3</sup> Maryland’s current uniform cost report structure does not capture wage and salary data for specific in-house clerical staff positions who regularly interact with residents, Maryland Medical Assistance Program recipients and caregivers. The allotted revenue cannot be determined.